



MCI Telecommunications
Corporation
1801 Pennsylvania Ave., NW
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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC 20554

September 6, 1994

ORIGINAL

Mr. William Caton
Acting Secretary
Federal Communications Commission
Room 222
1919 M Street, NW
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

Re: In the Matter of Pacific Bell Petition for Rulemaking to Amend
Section 69.106 of the Commission's Rules

Dear Mr. Caton:

Enclosed herewith for filing are the original and four (4) copies of MCI Telecommunications Corporation's Comments regarding the above-captioned matter.

Please acknowledge receipt by affixing an appropriate notation on the copy of the MCI Petition furnished for such purpose and remit same to the bearer.

Thank you,

Christopher Bennett
Analyst

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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JUN 6 1994

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OFFICE OF SECRETARY

In the Matter of:)
)
Pacific Bell Petition for Rulemaking) RM-8496
to Amend Section 69.106 of the)
Commission's Rules)
_____)

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REPLY COMMENTS

MCI Telecommunications Corporation (MCI) hereby responds to comments, from Bell Atlantic and Southwestern Bell, on the above-captioned Petition filed by the Pacific Bell Telephone Company on June 30, 1994.

Both Bell Atlantic and Southwestern Bell support Pacific Bell's request for Part 69 waiver, and both Bell Atlantic and Southwestern Bell ask the Commission for even more regulatory concessions.¹ Bell Atlantic argues against the necessity of a waiver proceeding on the Pacific Bell Part 69 call setup charge. It concludes "there should be no need for a rule waiver or modification simply to change the structure of switched access rates or to create a new rate element".² Southwestern Bell suggests a rulemaking proceeding would be "overly burdensome" and, like Bell Atlantic, argues

¹ Comments of Bell Atlantic, filed August 22, 1994 (Bell Atlantic Comments), pp. 1, 3; and Comments of Southwestern Bell, filed August 22, 1994, (Southwestern Bell Comments), p. 1.

² Bell Atlantic Comments, p. 3.

there should not be a need for waivers.³ MCI will address each of their arguments in turn.

Bell Atlantic apparently believes its argument for a call setup charge in 1989⁴ improves with age. Once again, it asks that local exchange carriers (LECs) be allowed to assess a call setup charge and receive additional pricing flexibility. This time, Bell Atlantic asks for more from the Commission but, delivers much less, in the form of proof to justify a change in the Commission's rules. Bell Atlantic fails to disclose any new tangible evidence to support Pacific Bell. As MCI noted in its Comments,⁵ Pacific Bell's Petition is based on misleading and unpersuasive statements. That Bell Atlantic is either unable or unwilling to offer tangible evidence to support Pacific Bell's petition speaks volumes about the legitimacy of LEC claims of network cost recovery hardships allegedly caused by short calls. At a minimum, it shows Bell Atlantic has nothing new to add to this issue, since the Commission rejected its Part 69 Waiver Request in 1989⁶.

³ Southwestern Bell Comments, p. 1.

⁴ In the Matter of Petition for Waiver of Sections 69.106 and 69.205 of the Commission's Rules to Permit a Call Setup Charge, filed May 24, 1989 (Bell Atlantic Petition)

⁵ (MCI Opposition to Petition for Rulemaking), In the Matter of Pacific Bell Petition for Rulemaking to Amend Section 69.106 of the Commission's Rules, filed August 22, 1994, pp. 2 - 5.

⁶ In the Matter of Bell Atlantic Telephone Companies Petition for Waiver of Sections 69.106 and 69.205 of the Commission's Rules to Permit a Call Setup Charge, 4 FCC Rcd 7210, (Memorandum Opinion and Order), Released

Southwestern Bell asks the Commission for nothing less than complete pricing flexibility for switched access. Stated differently, Southwestern Bell calls for the elimination of Part 69 access charges. Its basis for this major shift in Commission policy is nonexistent. It does not present a single fact to support its argument for a call setup charge. Nor does Southwestern Bell offer any evidence to buttress Pacific Bell's petition.

Both Bell Atlantic and Southwestern Bell are raising issues that are well beyond the scope and significance of the issue raised by Pacific - whether to reconstitute the local switching element. The issues these LECs raise go to the purpose and role of Part 69 in limiting LEC pricing flexibility. The Commission comprehensively addressed the subject of pricing flexibility during the Expanded Interconnection proceedings.⁷ Neither Bell Atlantic nor Southwestern Bell have added anything novel or insightful to the deliberations conducted for Expanded Interconnection. The editorial comments, made in support of Pacific Bell's Part 69 Waiver Petition for a call setup charge, are baseless and unpersuasive.

September 29, 1989, p. 7.

⁷ Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, Report and Order and Notice of Proposed Rulemaking, 7 FCC Rcd 7369 (1992), recon., 8 FCC Rcd 127 (1992), vacated in part and remanded sub nom. Bell Atlantic v FCC, No. 92-1619 (D.C. Cir., June 10, 1994), recon., 8 FCC Rcd 7341 (1993), Second Report and Order and Third Notice of Proposed Rulemaking, 8 FCC Rcd 7373 (1993), pet. for review pending sub nom. Bell Atlantic v FCC, No. 93-1743 (D.C. Cir., filed Nov. 12, 1993).

CONCLUSION

For the reasons discussed above, and within its opposition to Pacific Bell's Petition,⁸ MCI continues to urge the Commission to deny Pacific Bell's petition for rulemaking to amend Section 69.106 of the Commission's rules.

Respectfully submitted,

MCI TELECOMMUNICATIONS CORPORATION

BY: _____

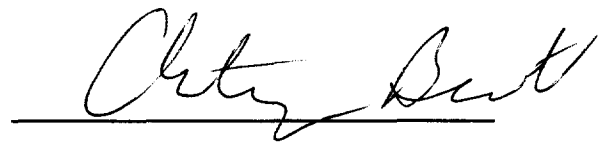
Christopher Bennett
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Dated: September 6, 1994

⁸ MCI Opposition to Petition for Rulemaking, *supra* note 5.

STATEMENT OF VERIFICATION

I have read the foregoing, and to the best of my knowledge, information, and belief there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on September 6, 1994.

A handwritten signature in cursive script, appearing to read "Chry Bennett", is written over a horizontal line.

Christopher Bennett
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CERTIFICATE OF SERVICE

I, Gwen Montalvo, do hereby certify that copies of the foregoing Comments were sent via first class mail, postage paid, to the following on this 6th day of September, 1994.

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Gwen Montalvo